

**CHARITY COMMISSION
FIRST CONTACT**

31 OCT 2023

**ACCOUNTS
RECEIVED**

Southgate Church
Bury St Edmunds Suffolk
(a company limited by guarantee)

Annual Report and Financial Statements
for the period ended 31 March 2023

Charity Number: 1115737

Company registration number: 05815695

Southgate Church Bury St Edmunds Suffolk

Annual report and financial statements for the period ended 31 March 2023

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Southgate Church Bury St Edmunds Suffolk

Reference and administrative details

Trustees:

Robert Jones - Chair
Terry Ball
Adrian Lingwood (Resigned 01 /23)
Peter Maddock
Helen Moore
Susan Strachan
David Wakeford (Churches Together in Bury St Edmunds and District, Resigned 09/22)
Philip Lloyd-Jones (St Mary's with St Peters)

Secretary to the Trustees:

Terry Ball

Registered office:

Southgate Community Centre, Caie Walk, Bury St Edmunds, Suffolk IP33 2PJ
Tel: (01284) 703705

Registered Charity number: 1115737

Registered Company number: 05815695

Reporting Accountant

Andrew Prentice Partnership 5, Market Place, Stowmarket, Suffolk IP14 1DT

Bankers

CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Solicitors

Ellisons, 83-84 Guildhall Street, Bury St Edmunds, IP33 1LN

Southgate Church Bury St Edmunds Suffolk

Report of the trustees for the period ended 31 March 2023

The trustees present their report and accounts for the period ended 31 March 2023.

Review of April 2022 to March 2023

The year saw the Church returning to a full range of activities after the Covid pandemic restriction had all been lifted.

A Leadership Team meeting weekly, directed by the Minister, was in place throughout the year, including three elected representatives; Family and Community Worker and supported by the Church Administrator, a half time appointment. An 'away day' was held, the conclusions of which were endorsed by members at a special meeting, and an agreement that there would be a special focus on the issue of prayer resulting in an extended sermon series on the subject. Four meetings of church members were held. There has been a special emphasis on safeguarding using the guidelines produce by the local Diocese as well as a volunteer recruitment procedure drawn up. Church membership has grown through 14 new people joining; sadly offset by a number of deaths of long term members. Three Alpha courses have been held to introduce the Christian faith to people seeking to know more. These have had a limited success.

Regular Sunday morning services were held with more encouragement to direct participation from attenders by the use of a testimony slot, and remote access made available via 'Zoom' for people unable to attend in person. Bring and Share lunches are organised regularly post Sunday morning service. There are six house groups meeting regularly with around 56 people attending which gives an opportunity for closer fellowship, bible study, and pastoral support. The Church provides a wide range of activities for the communities it serves, standing groups include: SPOTS for younger children; Wednesday Gang for early primary ages; Youth Club for 8-12's; Liquid for 13-17's; Fellowship Group for older people; Thursday Club for women of all ages; and Coffee Stop each Monday for refreshment and socialising. Outreach family events have included: Southgate's Got Christmas and Southgate's Got Easter; Messy Church for families with a meal provided; Light Station to coincide with Halloween; and Christmas Lights as part of the local annual community event. Other events have included carol singing at the local pub and a Christmas Eve crib service, as well as participation in the annual community fun day providing refreshments and activities for children. The Church continues to work in close partnership with the community centre.

A Community Fund has been established to provide grants to local people who are in particular need to which church members can separately contribute. There has been a particular ministry to Ukrainian refugees over the past year – one family has been housed by a member of the church; also provision of cooked meals to people in need both within and outside the fellowship.

The Church Centre within the Community Centre had its first major refurbishment since its construction in the late 1970's, funded by additional donations from within the congregation.

Trustees feel that the church as both a registered charity and company limited by guarantee fulfils all of its legal and constitutional purposes. The Church is looking forward to celebrating its 50th Anniversary in 2024.

Family and Community work

Southgate Church has a committed team of volunteers, led by a salaried Family and Community Worker, who work with children, young people and families in the church, the local school and preschool and in the community.

Southgate Church Bury St Edmunds Suffolk

Report of the trustees for the period ended 31 March 2023

All members of the team take part in regular Safeguarding training.

A Sunday Club is held each week alongside the church service for children aged 3-16 years. A creche area is also available for the under 3s.

Four All Age Services were held throughout the year and two Messy Church events took place. These events are all planned to offer an environment where families can enjoy worshipping, playing and learning together.

The church plays host to a busy Parent/Carer and Toddler Group and two lively Youth Clubs. These groups run weekly in term time.

Fortnightly assemblies are led by church volunteers at the local primary school and preschool. Two lunchtime clubs are also organised by members of the children's work team. The clubs help the children understand more about the Christian faith through teaching, games and craft.

The church enjoys being part of the local community and takes an active part in the annual Community Fun Day provided for local people.

Community events also took place to celebrate Shrove Tuesday, Easter, Light (an alternative to Hallowe'en), Remembrance Day and Christmas.

During the summer holidays the church ran a week long children's Holiday Club which saw over 35 children from the local community having a week of fun, games, craft, songs and bible teaching. Our children's ministry team were delighted to be part of a Churches Together Summer Celebration which took place in the town's historic Abbey Gardens.

Southgate Church has also shown its support to local Ukrainian refugees by offering, on a weekly basis, its church centre as a place for displaced families to meet together for friendship, support and activities.

Objects and Activities

The Church is a registered charity and its objective is to advance the principles, teaching and practices of the Christian faith for the benefit of the public in particular, but not exclusively, in the Southgate area of Bury St Edmunds, Suffolk.

Southgate Church affirms its mission: "to Glorify God in Church, Community and World, through worship, prayer, discipleship, fellowship, service and mission".

The Church as a charity provided public benefit activities in the following ways:

- Regular and accessible opportunities for Christian worship for all:

- A wide range of social and educational activities for people of all ages;

- Pastoral and social support to individuals and families;

- Activities in local schools and contributions to the curriculum;

- Encouraging young people to help in activities and develop new skills such as using the sound system;

- The giving of tithes and other financial grants to charities and community groups at home and abroad;

- Promotion of leisure and educational opportunities for the whole community through events which are open to the community as well as the Church's involvement in and help at events with the Southgate Community Partnership;

- Activities for young people, elderly and other age ranges and interest groups;

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Report of the trustees for the period ended 31 March 2023

Use of the Church premises for activities including a regular weekly coffee morning.
Supporting local charities and needs in the local area and Bury St. Edmunds;
Recognised as a 'Home for Good' Church via the local partner charity, Transforming Futures - Suffolk.

The Church's premises are part of the Southgate Community Centre which is owned and run by the Southgate Community Partnership (SCP), a charity, of which the Church is a part with the ability to nominate four trustees. The Church shares an office and a number of back office services with the SCP. Southgate Church serves the area included in the Southgate ward of West Suffolk District Council. Information on activities is published in a monthly publication 'Bury St Edmunds Directory' which is delivered to every address in the catchment area.

Financial Review

There was a deficit of **£40,375** for the period as opposed to a deficit of **£27,321** in the previous year. Income during the year was up marginally by just over £3000 though there was no event income in 2022/23. A number of appeals were made during the year to which the church membership responded extremely generously meaning that both restricted income and expenditure were higher than last year. This includes a Community Fund set up to enable the church to respond to specific financial needs as and when they arise. Expenditure was higher by a little over £14,000 this was mainly due to the refurbishment of the Church Centre but there were other increases due to inflation particularly on staffing costs. The regular and faithful ongoing financial support of the congregation has continued and this was at an increased level compared to last year, the majority of this through tax efficient means. Expenditure was well controlled during the year though net expenditure was £422 higher than expected this was mainly due to the aforementioned refurbishment. The charity's policy of keeping three month's running costs in reserves has been more than maintained with net current assets at the end of the period being **£100,556**.

Structure, Governance and Management

Southgate Church is foremost a fellowship of individuals who believe that God is living and his son, the Lord Jesus Christ exemplified God's life for us by dying in our place so that we may be restored to a real, living relationship with our God.

In legal terms, the Church is a company limited by guarantee incorporated on 12th May 2006 and was registered as a charity on 9th August 2006. The governance principles of the Church are set out in the Articles which are registered with both Companies House and the Charity Commission. The Articles were amended on 17th October 2018 and on 11th September 2019. The latter amendment provides for the Minister of the Church to be eligible to become a trustee if he opts to do so. Those amendments also included additional safeguards for the governance of the Church.

In the event of the company being wound up Church Members are required to contribute an amount not exceeding £10. That applies also to individuals who were past Members in the last 12 months prior to dissolution.

Southgate Church is a Local Ecumenical Partnership founded by Churches Together in Bury St. Edmunds and District over forty years ago. The founding denominations that signed the Sharing Agreement are the Church of England, the Baptist Church and the United Reformed Church. The Church has a Board of Trustees, the composition of which was amended by special resolution in October 2018 and allows the Church to draw upon the experience and guidance of other denominations. The Trustees meet several times during the year. The Board may comprise up to 12 trustees:

Southgate Church Bury St Edmunds Suffolk

Report of the trustees for the period ended 31 March 2023

- Southgate Church - up to 8 members inclusive of the Minister and the Leadership Team, the Honorary Treasurer and the Secretary;
- St Mary's with St Peter's, the Parish Church - 1 nominated from the Parochial Church Council;
- The Diocese of St Edmundsbury and Ipswich - 1 nomination;
- The Eastern Baptist Association - 1 nomination;
- The Easter Synod of the United Reformed Church – 1 nomination

There is a need to recruit further trustees from the categories listed above.

To retain its Christian ecumenical character, the Articles allow certain vacancies to be filled by drawing upon nominations from Churches Together in Bury St Edmunds & District and in other ways.

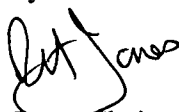
The ecumenical nature of the Church is overseen by a Local Advisory Group (LAG) comprised of a representative from each of the three last listed denominations above. The LAG may provide advice to the Minister and the Trustees/Church. The LAG has agreed that should the denominations above not be able to find a nominee to be a Trustee then the Trustees of Southgate Church could fill such a vacancy by electing a Trustee from the members of Southgate Church and/or from Churches Together in Bury St Edmunds. This is reflected in the amended governance documents.

The Church Leadership Team consists of the Minister, Family and Community Worker and up to three members elected to the Team. The Annual General Meeting is usually held in September.

The Trustees regularly review the potential major risks to which the charity may be exposed and, if appropriate, establish policies, systems or procedures to manage those risks. For example, the Safeguarding Policy and Procedure is reviewed annually and training is kept under review. One Trustee is designated to keep a watching brief over safeguarding practices, checks and training.

Signed by:

Date: 27 September 2023



Robert Jones-Chair of Trustees of Southgate Church, Bury St. Edmunds, Suffolk

Southgate Church Bury St Edmunds Suffolk

Report of the trustees for the period ended 31 March 2023

Trustees' Responsibilities in Relation to the Financial Statements

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 21 September 2023 and signed on their behalf by



Robert Jones
Chair of the Trustees of Southgate Church, Bury St. Edmunds, Suffolk

Southgate Church Bury St Edmunds Suffolk

Independent Examiner's Report to the Trustees of Southgate Church

I report on the accounts of the Southgate Church for the year ended 31 March 2023, which are set out on pages 9 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5) (b) of the 2011 Act.

Basis of independent examiner's statement

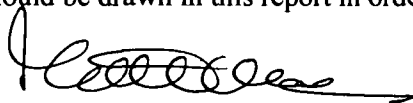
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts did not accord with the accounting records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Matthew Aldous FMAAT.
Andrew Prentice Partnership

Southgate Church Bury St Edmunds Suffolk

Statement of Financial Activities for the period ended 31 March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income from:					
Donations	2	87,591	13,666	101,257	93,000
Charitable activities	3	6,478	-	6,478	11,491
Investment income		995	-	995	1,557
Total incoming resources		95,064	13,666	108,730	106,048
Resources expended					
Charitable activities					
Charitable activities	4	135,113	13,123	148,236	132,576
Governance costs	6	869	-	869	793
Total resources expended		135,982	13,123	149,105	133,369
Net incoming/(outgoing) resources before transfers		(40,918)	543	(40,375)	(27,321)
Transfers					
Gross transfers between funds - in		-	-	-	-
Gross transfers between funds - out		-	-	-	-
Net incoming/(outgoing) resources for the year		(40,918)	543	(40,375)	(27,321)
Fund balances at 1 April 2022		368,397	2,445	370,842	398,163
Fund balances at 31 March 2023		327,479	2,988	330,467	370,842

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities. An analysis by fund of the comparative figures for 2022 is shown in note 2.

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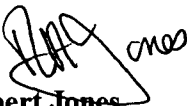
Balance sheet at 31 March 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	8		229,911		235,494
Current assets					
Debtors and prepayments	9	2,163		1,810	
Cash at bank and in hand		101,571		136,193	
		
		103,734		138,003	
Creditors amounts falling due within one year	10	(3,178)		(2,655)	
		
Net current assets			100,556		135,348
				
Net assets			330,467		370,842
		
Funds					
Unrestricted			327,479		368,397
Restricted			2,988		2,445
		
Total Reserves	11		330,467		370,842

In approving these financial statements as trustees of the charitable company we hereby confirm:

- the company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.
- the members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- the directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and preparation of accounts.
- these accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The financial statements were approved by the Board on 21 September 2023 and signed on its behalf by


Robert Jones
 Trustee

The notes on pages 11 to 16 form part of these financial statements.

Southgate Church Bury St Edmunds Suffolk

Notes forming part of the financial statements for the period ended 31 March 2023

1 Accounting policies

These financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Income

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure has been classified under headings that aggregate all costs related to that category.

Costs of activities in furtherance of the charity's objectives include staff costs. Support costs are those costs incurred indirectly in support of expenditure on the objects of the charity and include the costs of running the office and administration.

Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

Tangible fixed assets

The cost of tangible fixed assets is written off over their expected useful economic lives, on a straight line basis, as follows:

Freehold buildings	- over 50 years
Church Centre ramp	- over 20 years
Kitchen	- over 10 years
Office and computer equipment	- over 5 years

Taxation

The charity is not liable to tax on its activities for the period.

Fund accounting

Funds held by the charity are:

- (a) Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- (b) Designated funds – comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Southgate Church Bury St Edmunds Suffolk

- (c) Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions apply when specified by the donor or when funds are raised for particular restricted purposes.

2 Income Resources

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Gift Aid – General	58,163		58,163	56,492
Legacy	-		-	-
Gift Aid – Envelopes	8,302		8,302	5,995
Gift Aid – Youth	-		-	-
Other Collections	3,679		3,679	2,402
Income Tax Recovered	16,847		16,847	15,492
Donations	600		600	600
Restricted Gifts		13,666	13,666	12,019
	<u>87,591</u>	<u>13,666</u>	<u>101,257</u>	<u>93,000</u>

3 Income Resources

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Fellowship Activities	1,796	-	1,796	1,028
Events	-	-	-	7,640
Church Groups	4,050	-	4,050	1,734
Miscellaneous	392	-	392	569
SCP	240	-	240	520
Church House rental income	-	-	-	-
	<u>6,478</u>	<u>-</u>	<u>6,478</u>	<u>11,491</u>

Notes forming part of the financial statements for the period ended 31 March 2023(Continued)

Southgate Church Bury St Edmunds Suffolk

4 Charitable Activities

	2023	2022
	£	£
<i>Activities relating directly to the work of the church</i>		
Ministry	41,925	40,401
Youth worker	28,691	25,077
Sunday School & Youth work	4,594	2,457
Flowers, Libraries & Gifts	848	549
Church & Community Centre Occupancy costs	6,653	5,505
Church Centre Maintenance	15,518	3,895
Church House costs	3,488	3,179
Church House Maintenance	577	2,130
Fellowship activities	2,426	2,010
Depreciation of Fixed Assets	6,287	5,785
Mission & Training	17	324
Tithes	8,200	7,850
Events	-	7,640
Communications	2,009	2,303
Specific Gifts	13,123	10,574
	<u>134,356</u>	<u>119,679</u>
<i>Support costs allocated to activities</i>		
Staff costs	11,248	10,025
Telephone & Internet	-	308
Insurance	504	486
Postage & Stationery	355	200
Photocopier	270	679
Subscriptions	1,114	894
Mileage	73	27
Payroll Administration	220	180
Bank charges	96	98
	<u>13,880</u>	<u>12,897</u>
Total cost of Charitable Activities	<u><u>148,236</u></u>	<u><u>132,576</u></u>

Southgate Church Bury St Edmunds Suffolk

Notes forming part of the financial statements for the period ended 31 March 2023(Continued)

5 Staff costs

	2023 £	2022 £
Wages and salaries	37,087	32,875
Social security costs	-	-
Pension costs	1,855	1,619
	<u>38,942</u>	<u>34,494</u>

The charity employed 2 staff during the period. No employee received emoluments of over £60,000.

6 Governance costs

	2023 £	2022 £
Reporting accountant's & independent examiner fees	856	780
Legal and professional fees	13	13
	<u>869</u>	<u>793</u>

7 Trustees remuneration and related party transactions

The trustees did not receive any remuneration or reimbursement of expenses from the charity during the period.

Southgate Church Bury St Edmunds Suffolk

Notes forming part of the financial statements for the period ended 31 March 2023 (*Continued*)

8 Tangible fixed assets

	Freehold Property	Office and computer equipment	Total
	£	£	£
<i>Cost</i>			
At 1 April 2022	288,649	33,251	321,900
Additions		705	705
Disposals			
At 31 March 2023	288,649	33,956	322,605
<i>Depreciation</i>			
At 1 April 2022	64,677	21,729	86,406
Charge for the period	3,869	2,419	6,288
Disposals	-	-	-
At 31 March 2023	68,546	24,148	92,694
<i>Net book value</i>			
At 31 March 2022	220,103	9,808	229,911
At 31 March 2022	223,972	11,522	235,494

9 Debtors

	2023 £	2022 £
Gift Aid debtor	1,758	1,713
Other debtor	405	97
	2,163	1,810

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Notes forming part of the financial statements for the period ended 31 March 2023 (*Continued*)

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Tax, National Insurance and Pension	1,434	1,120
Expense creditors and accruals	1,744	1,535
	<hr/>	<hr/>
	3,178	2,655
	<hr/>	<hr/>

11 Statement of Funds

	Fund balances at 31 March 2022 £	Incoming resources £	Resources expended £	Transfers	Fund balances at 31 March 2023 £
<i>Restricted Funds</i>					
Gifts	2,445	13,666	13,123	-	2,988
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,445	13,666	13,123	-	2,988

Purposes of Restricted Funds:

Gift Fund represents donations received to be passed on to other organisations or for particular church projects.

12 Limited liability

The charitable company has no share capital but is limited by guarantee. The members under the memorandum and articles of association each undertake to contribute to the assets of the charitable company, in the event of it being wound up, with each members liability limited to £10.